



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

February 21, 2016

TERRY LEE LIERMAN, TREASURER  
O'MALLEY FOR PRESIDENT  
1501 ST PAUL STREET SUITE 114  
BALTIMORE, MD 21202-2846

**Response Due Date**

**03/28/2016**

IDENTIFICATION NUMBER: C00578658

REFERENCE: YEAR-END REPORT (10/01/2015 - 12/31/2015)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 7 item(s):

1. Schedule A-P of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached). You should examine all of your contributions to check for additional excessive contributions. The Committee's procedures for processing contributions should also be reviewed.

An individual or a political committee other than an authorized committee or qualified multi-candidate committee may not make a contribution to a candidate for federal office in excess of \$2,700 per election. An authorized committee may not make a contribution to a candidate for federal office in excess of \$2,000 per election. A qualified multi-candidate committee and all affiliated committees may not make a contribution(s) to a candidate for federal office in excess of \$5,000 per election. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. (52 U.S.C. § 30116(a) and (f) (formerly 2 U.S.C. §§ 441a(a) and (f)); 11 CFR §§ 110.1(b), (e) and (k))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information. If any contribution you received exceeds the limits, you may have to refund the excessive amount.

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Excessive contributions may be retained if, within sixty (60) days of receipt, the excessive portions are properly reattributed. Guidelines for each option are provided below:

For reattributions, excessive contributions from individuals can be retained if, within sixty (60) days of receipt, the excessive amount is properly reattributed to another person. Please note that reattributions only apply to excessive contributions from individuals. An excessive contribution is considered properly reattributed if (1) the contributors provide the committee with written documentation, signed by each contributor, authorizing a reattribution and indicating the amount of the contribution to be attributed to each contributor, or (2) the committee reattributes, by presumption, the excessive portion of the contribution if the contribution was made on a written instrument from a joint account and was signed by only one of the account holders. In this case, the treasurer must notify the contributors in writing within 60 days of receiving the contribution that the committee intends to reattribute the excessive portion and must give the contributor an opportunity to request a refund. (11 CFR § 110.1(k)(3)(ii)(B))

If the foregoing conditions for reattributions are not met within 60 days of receipt of the contribution, the excessive amount must be refunded. See 11 CFR § 103.3(b)(3).

Please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks and/or letters reattributing the contributions in question. Refunds are reported on Line 28 of the Detailed Summary Page and on a supporting Schedule B-P of the report covering the period in which they are made. Reattributions are reported as memo entries on Schedule A-P of the report covering the period in which the authorization for the reattribution is received. (11 CFR §§ 104.8(d)(2), (3) and (4))

The acceptance of excessive contributions is a serious problem. Again, the committee's procedures for processing contributions should be examined and corrected in order to avoid this problem. Although the Commission may take further legal action, prompt action by you to refund and/or reattribute of the excessive amount will be taken into consideration.

2. Schedule A-P of your report discloses one or more contributions that appear to be from limited liability corporation(s) (LLC) (see attached). 11 C.F.R. §110.1(g) allows the receipt of contributions from LLCs providing the LLC is treated as a partnership for tax purposes, and has not elected to be treated as a

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corporation by the Internal Revenue Service (IRS). Both LLCs that claim corporate status and those that publicly traded would be treated as corporations for FECA purposes.

Please amend your report to clarify if the LLCs in question are treated as partnerships. If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information. For your information, a partnership is included in the definition of "person" under 52 U.S.C. 30101(11) (formerly 2 U.S.C. §431(11)).

If you have received prohibited contributions, you must make a refund. (11 CFR § 103.3(b)(1)) The refund must be made within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(2))

Please inform the Commission of your corrective action immediately and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B-P supporting Line 28(a) of the report covering the period in which the refund was made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

**3.** Schedule A-P (see attached) discloses a contribution(s) from an individual(s) who has a mailing address outside of the United States of America. Please be advised that 52 U.S.C. § 30121(a) (formerly 2 U.S.C. § 441e(a)) and 11 CFR § 110.20 prohibit foreign nationals from making contributions in connection with any election for political office or in connection with any primary election, convention, or caucus held to select candidates for any political office.

If the apparently prohibited contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If your committee follows the safe harbor guidelines outlined under 11 CFR § 110.20(a)(7) for all contributions received from a foreign address to ensure that the sources of these contributions are not foreign nationals, please provide a detailed description of your procedures. These procedures must be used in all cases where a contributor or donor uses a foreign passport or passport number for identification purposes, provides a foreign address, makes a contribution or

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donation by means of a check or other written instrument drawn on a foreign bank or by wire transfer from a foreign bank, or resides abroad. A committee is deemed to have conducted a reasonable inquiry into the contributor or donor's nationality if you seek and obtain copies of current and valid U.S. passport papers for U.S. citizens. No person may rely on this safe harbor if he or she has actual knowledge that the source of the funds solicited, accepted, or received is a foreign national.

If you have received a contribution from a foreign national, you must refund the impermissible contribution to the donor in accordance with 11 CFR § 103.3(b). Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the refund. In addition, any refunds should be disclosed on Schedule B supporting Line 28(a) of the report during which the transaction was made. Although the Commission may take further legal action concerning the acceptance of a prohibited contribution(s), prompt action on your part to refund or provide clarifying information concerning these contributions will be taken into consideration.

4. Schedule A-P of your report discloses one or more contributions from an organization(s), which is not a political committee registered with the Commission (see attached). In order for your committee to accept contributions from unregistered organizations, your committee should take steps to ensure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 52 U.S.C. §§ 30116(f) and 30118 (formerly 2 U.S.C. §§ 441a(f) and 441b) or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: (1) establish a separate account which contains only those funds permitted under the Act, or (2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible.

If you have received prohibited contributions, you must make a refund. (11 CFR § 103.3(b)(1)) The refund must be made within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(2))

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Please inform the Commission of your corrective action immediately and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B-P supporting Line 28(b) of the report covering the period in which the refund was made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

5. Commission Regulations require the continuous reporting of all outstanding debts. This report omits debts itemized on your previous report(s). (11 CFR §§ 104.3(d) and 104.11) Please file an amendment to your report to disclose the current status of these omitted debts owed to David Land and The Ink Spot, Inc.

6. Your report discloses a debt owed to Innovativetechnology with an outstanding beginning balance of \$0.00. The previous report filed by your committee discloses a closing balance of \$212.39. These amounts should be the same. Please correct this discrepancy and file an amendment to your report(s). (52 U.S.C. § 30104(b)(8) (formerly 2 U.S.C. § 434(b)(8)) and 11 CFR § 104.11)

7. Your report discloses a loan from a lending institution; however, you have not submitted a paper Schedule C-1-P that has been certified by an official from the lending institution, and/or a copy of the loan agreement. Any political committee that receives a loan or line of credit from a lending institution must file Schedule C-1-P along with a copy of the loan agreement with the first report in which the loan is incurred as well as each time a loan or line of credit is restructured to change the terms of repayment or each time a draw is made on the line of credit.

If the committee is an electronic filer, you must submit the Schedule C-1-P electronically without the original signature from the lending institution. In addition, you must mail a copy of the loan agreement and a separate copy of the Schedule C-1-P that contains the original signature from the lending institution.

Please amend your report to include the missing Schedule C-1-P and loan agreement. (11 CFR §104.3(d)(1) and (2))

**Please note you will not receive an additional notice from the Commission on this matter.** Adequate responses received on or before this date will be taken into

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consideration. **Requests for extensions of time in which to respond will not be considered.** Failure to comply with the provisions of the Act may result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1166.

Sincerely,

A handwritten signature in black ink that reads "Bradley Matheson". The signature is written in a cursive, flowing style.

Bradley Matheson  
Sr. Campaign Finance & Reviewing Analyst  
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions  
O'Malley for President (C00578658)**

**Excessive Contributions from Individuals**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Election</b>
Davis, James B III	10/28/15	\$5,400.00	P2016
Derrough, Joseph	10/29/15	\$2,700.00	P2016
Derrough, Joseph Hoge	11/13/15	\$2,700.00	P2016
Florida, Richard and Rana	11/30/15	\$1,500.00	P2016
Florida, Rana	12/7/15	\$3,900.00	P2016
Grubman, Eric P.	12/28/15	\$5,400.00	P2016
Hancock, Matthew	5/30/15	\$500.00	P2016
Hancock, Matthew	9/22/15	\$2,200.00	P2016
Hancock, Matthew	10/24/15	\$125.00	P2016
Kaladi, Mohan	11/10/15	\$5,400.00	P2016
Kelley, Thomas	6/17/15	\$2,700.00	P2016
Kelley, Thomas	12/11/15	\$2,700.00	P2016
MacMahon, John M	6/30/15	\$2,700.00	P2016
Macmahon, John	11/8/15	\$500.00	P2016
Malone, Sean R.	9/11/15	\$500.00	P2016
Malone, Sean R.	10/14/15	\$2,450.00	P2016
Massey, John H.	11/14/15	\$5,400.00	P2016
Ratner, Ellen	8/19/15	\$1,200.00	P2016
Ratner, Ellen	9/30/15	\$100.00	P2016
Ratner, Ellen	9/30/15	\$1,400.00	P2016
Ratner, Ellen	11/11/15	\$500.00	P2016

**Contributions from Possible Prohibited Entities**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Election</b>
Government Relations Group, LLC	12/20/15	\$1,500.00	P2016
Houston Pain Relief & Wellness Clinic LLC	11/21/15	\$2,700.00	P2016

**Excessive, Prohibited, and Impermissible Contributions  
O'Malley for President (C00578658)**

**Contributions from Individuals with Foreign Addresses**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Election</b>
Burke, Robert	10/14/15	\$500.00	P2016
Burke, Robert	11/4/15	\$700.00	P2016
Cannizzo, Marc	11/15/15	\$50.00	P2016
Hillabrant, Christian	11/9/15	\$2,700.00	P2016
Rodill, Mike	10/30/15	\$500.00	P2016
Smith, Maureen	12/31/15	\$250.00	P2016

**Contributions from Unregistered Organizations**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Election</b>
Citizens For Maggie McIntosh	11/11/15	\$999.00	P2016
Committee to Elect J. Harney	12/20/15	\$150.00	P2016
Committee to Elect Thomas Riley	10/31/15	\$100.00	P2016
Friends of Gregg Bernstein	10/28/15	\$500.00	P2016
Friends of Karen Young	11/13/15	\$250.00	P2016
Friends of Ron Young	11/13/15	\$250.00	P2016